



*Community Development Department*

**RENAISSANCE ZONE AUTHORITY  
SPECIAL MEETING AGENDA  
June 28, 2017**

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David J. Blackstead Meeting Room      1:00 p.m.      City-County Office Building

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Item No.

Page No.

**REGULAR AGENDA**

- 1. Review of Amendments to Renaissance Zone Development Plan.**  
Renaissance Zone .....2
- Staff recommendation: approve      ☐ approve      ☐ continue      ☐ table      ☐ deny

**ADJOURNMENT**

- 10. Adjourn.** The next regular meeting date is scheduled for **July 13, 2017.**





## *Community Development Department*

### **MEMORANDUM**

#### **RENAISSANCE ZONE PROGRAM EXTENSION REQUEST PROCESS**

TO: Curt Walth, Chair and Renaissance Zone Authority Members

FROM: Daniel Nairn, AICP

DATE: June 22, 2017

The purpose of this memo is to outline the procedures for formally applying to the North Dakota Department of Commerce – Division of Community Services for an extension of the City of Bismarck's Renaissance Zone program.

The City of Bismarck requested a 5-year extension of the Renaissance Zone program on April 20, 2016. The Department of Commerce granted only a 15-month extension at that time, which is set to expire on July 31, 2017. For the program to continue, the Renaissance Zone Authority and City Commission must request another extension, and letters of support are required from the Burleigh County Commission and the Bismarck Public Schools Board. The City has already obtained a letter of support from the Bismarck Parks and Recreation District, which is attached to this memo.

The request for an extension is made in the form of an amendment to the Renaissance Zone Development Plan. Staff is recommending a request of an extension of up to 5 years, to allow flexibility for a shorter extension if the full 5-years is not supported by all political subdivisions. Staff is also recommending a one block expansion of the Renaissance Zone boundaries to include the area between Main Avenue and the railroad tracks west of North 1<sup>st</sup> Street, based on project interest in this area and the fact that this is a logical extension within the DC – Downtown Core zoning district. These changes can be reviewed and processed simultaneously.

If you approve the amendments, a public hearing with the City Commission will be called for July 11. Additionally, the City will request letters of support from the Burleigh County Commission on July 5 and the Bismarck Public Schools Board on July 10. The intent is to submit the request to the State by July 14.

A recommended amended plan is attached to this memo, with all proposed changes highlighted in yellow.



*Enclosed: Letter of Support from the Bismarck Parks and Recreation District  
Recommended 2017 City of Bismarck Renaissance Zone Development Plan*

Let's Play!

RECEIVED  
JUN 16 2017

June 16, 2017

Carl Hokenstad  
Director of Community Development  
PO Box 5503  
Bismarck, ND 58506-5503

Dear Carl:

Please consider this as a letter of support from the Board of Park Commissioners for a five-year extension of the city's Renaissance Zone program. The Board took this action at their June 15, 2017 Park Board meeting. Please contact me if you have any questions.

Sincerely,



Randy Bina  
Executive Director

Cc: Commissioners Beattie, Jeske, Schwartz, Starck and President Munson

**BISMARCK RENAISSANCE ZONE  
DEVELOPMENT PLAN**

Submitted by the City of Bismarck's Renaissance Zone Authority

November 22, 2000

Revised: March 30, 2001

Revised: November 13, 2003

Revised: September 28, 2004

Revised: April 10, 2007

Major Revision: June 12, 2012

Revised: June 1, 2013 – Boundary Modification

Revised: April 20, 2016 – 5-Year Extension Request

Revised: July 11, 2017 – Extension Request

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## 1. Introduction

This Development Plan for the Bismarck Renaissance Zone is a revision to the Plan first developed in late 2000, which has been revised and updated over the years. The purpose of this revision is to satisfy the requirements to request a 5-year an extension of the Renaissance Zone program of up to five years. This document is meant to update the original Renaissance Zone Development Plan adopted by the City of Bismarck and approved by the North Dakota Department of Commerce - Division of Community Services in May 2001. The following items have been updated, amended or included ~~during this process~~ in this version:

- Renaissance Zone Boundary
- ~~Goals and Objectives~~
- Milestones and Benchmarks
- Identified Properties for Future Zone Projects
- ~~Completed Blocks~~

## 2. History of Bismarck's Renaissance Zone

### I. Brief Narrative/Overview of Committee Work

In February 2000, the Bismarck Board City Commissioners created a Renaissance Zone Advisory Committee to consider the establishment of a Renaissance Zone in Bismarck. Over the course of eight months the Committee held meetings to identify an area that would most benefit from being included in the Zone. Initially, the Committee examined an area extending from 26<sup>th</sup> Street on the east to the western corporate limits, including several blocks north and south of Main Avenue. After further discussion, an inventory of properties and a survey of property owners, the Committee concluded that the Zone should be located in the downtown area. As in most communities, Bismarck's downtown area has been impacted by commercial development on the periphery of the city. While property values in the downtown area had remained relatively steady, the number of vacant buildings was on the rise.

### II. Renaissance Zone Boundaries

The Renaissance Zone was established in May 2001 with the acceptance of the first Development Plan by the North Dakota Department of Commerce – Division of Community Services. The original Zone encompassed 21½ blocks in the downtown area of the community. The Zone was expanded by 11 blocks in November 2003 and by another three blocks in February 2008. In June 2013 the boundary of the Zone was modified to remove four blocks that were deemed

complete and to include four new blocks of property. Each modification was based on changes to the State's enabling legislation.

### **III. Downtown Bismarck**

Bismarck's downtown area is located in the center of the community and within one-half mile of the State Capitol to the north and Kirkwood Mall (a regional shopping center) to the south. The downtown is well connected by roads, with Washington Street, 7<sup>th</sup> Street, and 9<sup>th</sup> Street serving as the main north-south routes linking downtown with Interstate 94 and the Bismarck Municipal Airport. Rosser Avenue, Main Avenue, Broadway Avenue and Front Avenue serve as the main east-west routes linking downtown to the Dakota Zoo and recreation areas along the Missouri River. While Bismarck has been fortunate in the fact that its downtown has not had the level of deterioration that many downtowns have seen over the years, the City of Bismarck recognizes that its involvement is needed to ensure the continued viability of the downtown. Starting with the development of the Central Business District Plan in 1993 and continuing with the 2013 Downtown Bismarck Subarea Plan, a variety of projects and programs have worked together to stimulate new development in the downtown area and maintain the vitality of the heart of our community. Since the establishment of the Renaissance Zone in 2001, the City has seen a significant investment in the core of the community and this investment is expected to continue with on-going participation in the program.

The City of Bismarck utilizes two distinct zoning districts within the downtown area, the DC-Downtown Core District and DF-Downtown Fringe District. The purpose of the downtown zoning districts is to preserve and enhance the mixed-use, pedestrian-oriented nature of the City's downtown area. The two zoning districts allow a wide range of mutually supportive uses in order to enhance downtown Bismarck's role as a commercial, cultural, governmental, health/medical, entertainment and residential center. The districts also facilitate the creation of a strong and distinctive sense of place through the inclusion of open space and public plazas. The use of the Downtown Design Guidelines (2015) help to maintain the historical integrity, enhance the quality of design and preserve the human-scale development of downtown Bismarck. Many of the properties within the Renaissance Zone are also located within the DC-Downtown Core or DF-Downtown Fringe zoning districts.

## **3. Map**

### **I. Geographic boundaries and blocks**

- a. The map has been attached as Appendix A



- b. Legal descriptions
  1. Blocks 13, 15, 16, 21, and 24, Northern Pacific Addition
  2. Blocks 2, 4, 6, 8, 10, 12, 13, 16, 19, 28, 30, 37, 40, 41, 42, 43, 44, 46, 48, 49, 50, 51, 52, 54, 56, 58, 59, 60, 62, 64, 65, 66, 67, 68, 69, 71, 73, 75, 84, 104, 106, 108, 110, 116, and 122, Original Plat
  3. Block 5, Wachters Addition
  4. Tracts along the south side of Main Avenue between South 9<sup>th</sup> Street and Airport Road in Williams Survey, Sturgis Addition and Governor Pierce Addition
- c. Blocks identified by just a number are original blocks from 2001; blocks identified by a number and the letter "A" are blocks added in 2003 and or relocated in 2013; blocks identified by a number and the letter "B" are blocks added in 2007; and the block identified by a number and the letter "C" was added in 2011 when a block originally added in 2003 was deemed complete, removed from the boundary and relocated within the contiguous Renaissance Zone boundary; and the block identified by a number and letter "D" was added in 2017.
- d. When the Renaissance Zone Act was initially adopted by the State legislature it did not provide for changes or modifications to the boundaries of a Renaissance Zone. During the 2009 legislative assembly it was recognized that more flexibility may be necessary. Cities are now able to request changes to their Renaissance Zone boundary. Changes may include removing blocks that have been determined "complete" or "non-progressing" and relocating the subsequent block elsewhere within the contiguous boundary.

**II. Description of properties/structures on each block and present use and conditions of the properties/structures in the Zone**

- a. A spreadsheet with current information has been attached as Appendix B

**III. Identify properties/structures to be targeted for potential Zone projects**

- a. A Needs Assessment, completed in 2016 to identify potential new Renaissance Zone projects, is attached as Appendix C. The following properties represent potential Renaissance Zone projects. The list is not meant to be all encompassing and is not intended to limit or restrict opportunities for property owners wishing to participate in the Renaissance Zone Program.

- Expansion of hotel at 605 East Broadway (Block 22)
- Rehabilitation of residential properties in 500 block of 3<sup>rd</sup> Street North (East half of Block 2)

- Rehabilitation/renovation of mixed-use/warehouse building at 200 West Main (Block 15)
- Renovation of bank/office building at 400 4<sup>th</sup> Street North (Block 13)
- Exterior improvements to retail businesses in 200 block of East Main (South half of Block 18)
- Rehabilitation of retail/residential building at 500 East Main (Block 21)
- Rehabilitation of commercial building at 411 North 4<sup>th</sup> Street (Block 5)
- Redevelopment of 400 block of 5<sup>th</sup> Street North
- Rehabilitation of facility at 122 East Thayer Avenue (Block 6)
- Rehabilitation of office building at 418 East Rosser Avenue (Block 5)
- Rehabilitation of vacant building at 100 East Thayer Avenue (Block 6)
- Redevelopment at 700 East Main Avenue (Block 4B)
- Redevelopment/rehabilitation of 102 East Main Avenue (Block 17)
- Redevelopment of the property at 630 East Main Avenue (Block 22)
- The 200 block along the north side of Avenue A (Block 2)
- Block 75, Original Plat — The block bounded by 8<sup>th</sup> Street, Bowen Avenue, 9<sup>th</sup> Street and Sweet Avenue — a large portion of the block is currently undeveloped (10A)
- Block 84, Original Plat — The block bounded by Washington Street, Broadway Avenue, Mandan Street and Thayer Avenue (Block 10)
- Rehabilitation of the building at 520 East Main Avenue (Block 46)

#### 4. Description of physical/historical assets of the Zone

- I. Many of the blocks comprising the Renaissance Zone contain historically significant structures. In February 2000, the *Historical Architectural Inventory and Evaluation of Downtown Bismarck, North Dakota* report was completed. The report contains an extensive evaluation of downtown Bismarck as a historical district and a description of National Register-eligible properties. (See Appendix C). Attractive natural features are also an element in some of the blocks, particularly the County Courthouse and Camp Hancock landscaped areas. It is the intent of the Development Plan to promote the growth and redevelopment of the downtown area through, among other strategies, the preservation and improvement of such assets.

#### 5. Major Milestones, Benchmarks, Goals and Objectives

- I. Major Milestones or Benchmarks

The Renaissance Zone Authority conducted Program Evaluation of the Bismarck Renaissance Zone in 2016 to document the effectiveness of the City's program in

terms of achieving set goals and objectives. The Program Evaluation is attached as Appendix D.

The following milestones and benchmarks will serve to monitor the progress of the Renaissance Zone program and the redevelopment efforts for downtown Bismarck. The milestones and benchmarks are intended to be reviewed and amended on a bi-annual basis.

- Housing – Focus on increasing market rate apartments, condominiums, and owner-occupied housing stock. In 2014, 17 residential condominiums were added to the downtown housing stock within the mixed-use building identified as Broadway Centre located at 100 West Broadway Avenue.
- Services – Maintain or add one marketplace or retail store that offers basic food commodities including dairy products, fresh produce and general grocery items.
- Retail/Commercial – Promote the rehabilitation of existing structures into mixed-use facilities and add 20,000 square feet of new commercial space.
- Employees – Increase employment by 10% (full-time equivalencies). 465 full-time or full-time equivalent employment positions have been created as a direct result of Renaissance Zone projects within the Renaissance Zone since its creation. In addition, several new businesses that have not been designated as Renaissance Zone projects and many new employment opportunities have been established in downtown Bismarck.
- Infrastructure Liabilities – Assess current and future liabilities associated with existing public utilities and infrastructure.
- To date, ~~\$52,536,291.70~~ \$52,536,392 in documented private dollars has been invested in Renaissance Zone projects.

## **II. Goals and Objectives**

The goals for the Renaissance Zone are consistent with the Central Business District Plan (1993) and the Downtown Bismarck Subarea Plan (2013) and will guide future Zone marketing campaigns. This section presents basic goals for improvement and redevelopment in the Renaissance Zone. The goals and objectives were derived from a vision survey, issues workshop and analysis phase of the planning process and were prioritized by the Renaissance Zone Advisory Committee in conjunction with the preparation of the original Development Plan in 2000. The goals and objectives were reaffirmed and updated, as needed, in 2011, 2013 and 2016.

The following goals and objectives relate to various components of the downtown environment, including its role and function, economic development,

overall form and physical arrangement, transportation, design and appearance. The strategies provide the basic framework for the program and will guide all decisions related to the redevelopment of downtown.

**A. Establish the Renaissance Zone as the Center of Business Life, Government and Cultural Opportunity for the Bismarck Region.**

1. Maintain the Zone as a mixed-use area accommodating a wide range of retail, governmental, service and residential functions.
2. Promote continued support for redevelopment activities in the Zone.
3. Promote and advocate activities and programs that meet the needs of varied age, interest, and socioeconomic groups at all times of the day and night and throughout the year.
4. Create centrally located public open spaces in the Zone for cultural events and gathering spaces.
5. Create an organized system of open spaces and linkages to provide a framework for the Zone.
6. Locate major cultural facilities such as the library, theater and the like in the Zone.
7. Create an identity for the Zone through consistent and complementary design practices as outlined in the Downtown Design Guidelines (2015) for the DC-Downtown Core and DF-Downtown Fringe zoning districts.

**B. Promote the Renaissance Zone as the Preferred Location for Hotel, Class A Office Buildings, Specialty Retail, Government and Institutional Uses.**

1. Examine the possibility of providing incentives, such as financing for new development. Public/private joint ventures and other unique approaches to redevelopment should be encouraged.
2. Identify unique businesses, events, and other attractions that may be feasible in the Zone.
3. Encourage the location of governmental, financial institutions and other service functions in the Zone.

**C. Maximize Accessibility of the Renaissance Zone from Throughout the Region and Provide Safe, Convenient, and Attractive Circulation Within the Zone.**

1. Provide adequate and convenient on- and off-street parking for all uses within the Zone.
2. Provide adequate and convenient traffic circulation in and around the Zone without disadvantaging its role as a destination point.

3. Provide for safe, comfortable surface and second level pedestrian circulation within the Zone.
4. Continue to explore opportunities for second level pedestrian walkways throughout the Zone.

**D. Arrange Compatible Land Uses in Compact and Orderly Ways to Enhance the Functions of the Renaissance Zone.**

1. Reinforce emerging entertainment, medical, office/service and retail districts with compatible land uses.
2. Concentrate redevelopment in the Zone.
3. New office and retail space should be concentrated around existing buildings.
4. Any new construction, including parking structures, should include street level retail and service uses.
5. Encourage redevelopment of the upper levels of existing buildings as residential apartments and lofts and identify sites for new multi-family residential.
6. Plan for the expansion of major institutional facilities in an orderly manner to minimize the impact on existing land uses.

**E. Encourage a Zone That Upholds Bismarck's Heritage as Well as Recognizes and Takes Advantage of its Pattern of Development.**

1. Develop strategies for public and private financing of improvements.
2. Identify potential developers and adaptive reuses for historically significant buildings.
3. Promote historic and unique buildings to potential tenants and tourists.
4. Encourage redevelopment within the provisions of the DC-Downtown Core and DF-Downtown Fringe zoning districts and the Downtown Design Guidelines (2015) that is at the same rhythm, scale, and mass as the existing buildings and circulation network in the Zone.

**F. Achieve High Quality in the Design and Visual Appearance of the Renaissance Zone.**

1. Create a Zone framework that establishes urban, architectural, site design and signage guidelines that reinforce the unique, positive aspects of Bismarck's history and architecture.
2. Utilize the following plans as the framework from which to base redevelopment decisions:

- Central Business District Plan (1993)
  - Comprehensive Plan
  - Renaissance Zone Development Plan
  - Streetscape Guidelines for Downtown Bismarck (1995)
  - Historic Architectural Inventory and Evaluation of Downtown Bismarck, North Dakota (2000)
  - DC-Downtown Core and DF-Downtown Fringe Zoning Regulations (2006 and subsequent revisions)
  - Downtown Bismarck Subarea Plan (2013)
  - Downtown Design Guidelines (2015)
3. Preserve the integrity of the city's architectural and open space landmarks including the Burleigh County Courthouse, historic Northern Pacific train depot, Belle Mehus City Auditorium, World War Memorial Building and the Patterson Hotel.
  4. Continue the implementation of a cohesive system of streetscape treatments that reinforce a sense of human scale and balance between pedestrian and automobile space.
  5. Continue to encourage public art in the downtown streetscape and public spaces that contributes to Bismarck's unique character and sense of place.
  6. Continue efforts to promote compliance with the landscaping and screening ordinance and the overall greening of downtown through cooperative efforts with the City Forester and private property owners to increase vegetation within the Zone.

**G. Promote the Renaissance Zone as a Location for Increased Housing Opportunities**

1. Promote the Renaissance Zone as a location for new housing opportunities within the community.
2. Continue public outreach and educational efforts to publicize the use of the Renaissance Zone Program for housing projects, including presentations to organizations such as the Bismarck-Mandan Apartment Association, Bismarck-Mandan Board of Realtors, engineering and architectural firms, the IDEA Center, Small Business Association, title companies and financial lenders.
3. Continue to support the creation of market-rate rental housing and owner-occupied housing choices to create balance in the downtown housing market.
4. Maintain a safe and attractive environment for downtown residents.
5. Maintain the existing infrastructure and support improvements as needed to support an increased downtown population.
6. Support the implementation of a Quiet Rail Zone.
7. Support the continuation of existing retail and the establishment of new retail and service businesses that would bolster a downtown neighborhood,

including a marketplace that offers basic food commodities including dairy products, fresh produce and general grocery items.

## **6. Management Strategies, Development and Promotion to Maximize Investment in the Zone**

### **I. Individual Project Selection and Review.**

The initial review of each qualifying project (as determined by the minimum criteria outlined below) will be coordinated by the Renaissance Zone Authority and the City's Community Development Department. The review process will be used as a way to screen those projects qualifying for designation as a Renaissance Zone project.

### **II. Minimum Criteria for Project Approval**

In order to qualify for consideration as a Renaissance Zone project, a proposal must meet the following criteria, regardless of whether or not the project involves a new purchase (by an individual or group of investors) or an existing ownership arrangement. A transfer of property ownership will not automatically qualify a transaction as an approved project. The intent of the criteria is to encourage and reward significant levels of investment in Renaissance Zone properties.

#### **A. Proposals involving existing buildings (including residential)**

1. Use consistent with the Goals and Objectives of the Development Plan.
2. Exterior rehabilitation is sufficient to eliminate any and all deteriorated conditions visible on the exterior of the building.
3. For rehabilitation projects – a level of re-investment totaling not less than fifty percent (50%) of the current true and full valuation of the building for commercial properties and a level of re-investment not less than twenty percent (20%) for single-family homes.
4. The square footage used to calculate the required investment level will be based on the square footage of the entire building, including partial floors such as a mezzanine, and excluding the basement and un-occupied penthouse space.
5. Capital improvements must include capital expenses, defined as the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevator improvements and accessibility. The required per-square-foot financial investment will be based on a current market-rate assessment

of new construction costs in the community. The Bismarck Renaissance Zone Authority will review these values on an annual basis and establish an appropriate per-square-foot investment requirement.

6. Verification of a person's primary residence would be accomplished with a self-certification statement on the application form.

**B. Proposals involving new construction or additions**

1. Use consistent with the Goals and Objectives of the Development Plan.
2. The required per-square-foot financial investment will be based on a current market-rate assessment of new construction costs in the community. The Bismarck Renaissance Zone Authority will review these values on an annual basis and establish an appropriate per-square-foot investment requirement.

**C. Proposals involving the purchase of commercial property with improvements**

1. Use consistent with the Goals and Objectives of the Development Plan.
2. The level of re-investment made through capital improvements only, not the purchase price of the property or cosmetic improvements, will determine the percentage of property tax exemption.
3. The square footage used to calculate the required investment level will be based on the square footage of the entire building, including partial floors such as a mezzanine, excluding the basement and un-occupied penthouse space.
4. Capital improvements must include capital expenses, defined as the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/ air conditioning systems, windows, exterior doors, elevator improvements and accessibility.
5. The following matrix provides guidelines for the consideration of purchase with improvements Renaissance Zone projects. The Renaissance Zone Authority has the discretion to deviate from these guidelines on a case-by-case basis if specific building condition and/or other project specific factors warrant.

Level of Re-investment* as a Percentage of the City's Assessed Building Value	Percentage of Property Tax Exemption
Less than 10%	0%
10% to 22%	40%
20% to 34%	60%



36%-49%	80%
50% & More**	100%

\* The level of re-investment includes capital improvements only, not the purchase price of the property or cosmetic improvements. The Renaissance Zone Development Plan defines capital improvements as the cost incurred for repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevators and other accessibility improvements. The Renaissance Zone Authority may also consider other improvements that are a permanent and integral part of the building, as well as site improvements needed to correct drainage problems that have resulted in damage to the building.

\*\*Projects meeting or exceeding the 50% re-investment level required for a commercial/ investment rehabilitation project will be classified as a purchase with major improvements project and will be eligible for the same incentives as a rehabilitation project.

#### **D. Proposals involving a commercial lease (tenancy, not ownership)**

1. Use consistent with the Goals and Objectives of the Development Plan.
2. Must be a new or expanding business moving into the Renaissance Zone, an existing business expanding within the Renaissance Zone or the continuation of a lease by an existing Renaissance Zone tenant in a building rehabilitated as an approved Renaissance Zone project.
3. A financial per-square-foot investment made by either the property owner(s) or the lessee is required for projects that are not within a building rehabilitated as an approved Renaissance Zone project. The required per square-foot financial investment will be based on a current market-rate assessment of new construction costs in the community. The Bismarck Renaissance Zone Authority will review these values on an annual basis and establish an appropriate per square-foot investment requirement. A per-square-foot investment is not required for commercial lease projects located within a building that has been designated as a Renaissance Zone project; however, the rehabilitation work must **been be** completed before the lease project's owner can take possession of the leased space.
4. Lessee improvements can include capital expenses, defined as the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/

ventilation/ air conditioning systems, windows, exterior doors, elevator improvements and accessibility. Lessee improvements can also include cosmetic improvements, such as interior remodeling or updates.

#### **E. Proposals involving a single-family dwelling**

1. The project review and approval process used for single-family residential projects will follow the guidelines specified above for existing buildings and for new construction or additions. Verification of a person's primary residence would be accomplished with a self-certification statement on the application form.
2. The following matrix provides guidelines for the consideration of purchase with improvements Renaissance Zone projects. The Renaissance Zone Authority has the discretion to deviate from these guidelines on a case-by-case basis if specific building condition and/or other project specific factors warrant.

Level of Re-investment* as a Percentage of the City's Assessed Building Value	Percentage of Property Tax Exemption
Less than 5%	0%
5% to 9%	40%
10% to 14%	60%
15%-19%	80%
20% & More **	100%

\* The level of re-investment includes capital improvements only, not the purchase price of the property or cosmetic improvements. The Renaissance Zone Development Plan defines capital improvements as the cost incurred for repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevators and other accessibility improvements. The Renaissance Zone Authority may also consider other improvements that are a permanent and integral part of the building, as well site improvements need to correct drainage problems that have resulted in damage to the building.

\*\*Projects meeting or exceeding the 20% re-investment level required for a commercial/ investment rehabilitation project will be classified as a purchase with major improvements project

and will be eligible for the same incentives as a rehabilitation project.

### **III. Administration of the Renaissance Zone Program**

1. The City of Bismarck will administer all Zone activities through the Community Development Department – Planning Division. The Renaissance Zone Authority will review all applications and/or proposals. The Authority is composed of seven voting members (appointed by the Mayor and approved by the Board of City Commissioners) and two non-voting technical advisors (selected by the appointed Authority members). The appointments are staggered with a term of three-years. The ex-officio appointment runs concurrent with the Commissioner’s term in office. Authority appointments are considered from the following areas of interest:

- One representative from the Board of City Commissioners
- Six at-large representatives from the private sector
- Two technical advisors

Information dissemination, application and eligibility requirements will be the responsibility of the Community Development Department – Planning Division. The Planning Division will accept applications for the Renaissance Zone Program. If it is determined that the application is complete and the proposed project generally meets the requirements for a Renaissance Zone project, a public hearing will be scheduled before the Renaissance Zone Authority at their next regular scheduled meeting. A staff report detailing the project will be provided to the Authority along with a staff recommendation for action. The staff report identifies the goals and objectives met by the project to determine the public benefit. A notice of the hearing will be placed in the official city newspaper once each week for two consecutive weeks prior to the hearing. A notice of hearing will also be sent to all property owners within 350 feet of the proposed project at least 10 days prior to the public hearing.

The Renaissance Zone Authority will hold regular monthly meetings to hear and discuss applications and proposed projects. During these hearings, the applicant or his/her representative may make an oral presentation to the Authority. Other interested parties may also make oral presentations either supporting or opposing the application. In order to expedite the hearing process, it is suggested that any written materials and/or comments be submitted to Community Development Department – Planning Division prior to the hearing. Following the hearing, the Renaissance Zone Authority will either continue deliberations to a future meeting or make a recommendation on the proposed project to the Bismarck Board of City Commissioners.

A recommendation from the Renaissance Zone Authority will be placed on the next available agenda of the Bismarck Board of City Commissioners. The Bismarck Board of City Commissioners will have final City approval authority for all Renaissance Zone projects.

Upon approval of a Renaissance Zone project by the City, the project must also be approved by the North Dakota Department of Commerce - Division of Community Services.

Community Development Department – Planning Division staff will continue to work with the applicant to ensure the project is completed as proposed and that all required documentation is submitted. Any material change to an approved Renaissance Zone Project, including changes to building materials, building elevations or site design, must be approved by the Renaissance Zone Authority prior to implementation. An approved Renaissance Zone Project not completed within 12 months of the anticipated completion date is subject to review by the Renaissance Zone Authority.

The Community Development Department – Planning Division will document and maintain information on each Renaissance Zone project. The information collected will support the North Dakota Department of Commerce - Division of Community Services guidelines for reporting and documentation. The Community Development Department – Planning Division will provide an annual activity and monitoring report to the North Dakota Department of Commerce - Division of Community Services for each Renaissance Zone project approved from the previous calendar year.

#### **IV. Promotion and Marketing of the Renaissance Zone Program**

- I. Promotion and marketing of the Renaissance Zone Program will be an important part of the Development Plan. Promotion efforts will be coordinated between the Community Development Department – Planning Division, The Downtown Business Association, property owners, developers, commercial realtors and business organizations. It is important to note that the City of Bismarck will be a partner in promoting the Renaissance Zone Program, but not to the extent that the City's efforts will supplant the responsibility of property owners and developers to create and promote projects.

#### **7. Boundary Modification**

- I. The 2015 Legislature passed a bill to allow communities to increase the maximum number of blocks contained in the Renaissance Zone. After extensive

outreach and consideration, the Renaissance Zone Authority determined the additional ~~11~~ blocks allowed by this change to the enabling legislation would not be implemented at ~~this~~ that time. The Renaissance Zone Authority added 1 additional block in 2017 between Main Avenue and the railroad tracks and west of North 1<sup>st</sup> Street. This area is a portion of a city block that is within the DC – Downtown Core zoning district but was omitted from the Zone in the initial development plan. As potential projects are considered, the Renaissance Zone Authority reserves the right to utilize the additional blocks in the future, provided significant interest and support for new projects materializes.

- II. At this time, the Renaissance Zone Authority has chosen not to utilize the 3-block Renaissance Zone island area; the Renaissance Zone Authority reserves the right to utilize the 3-block island in the future, provided significant interest and support for new projects materializes.

## **8. Utility Infrastructure Projects**

- I. The 2009 Legislature passed a bill that would allow a portion of the investment required to bury overhead utility lines to be applied to the overall Renaissance Zone investment requirements. The exemptions apply to regulated industry that includes, but is not limited to, electrical, gas lines and communication infrastructure. It does not apply to utility infrastructure that a property owner pays special assessments to the City for a specified period of time such as water, sewer or pavement improvements.

### **a. What criteria will be used to approve infrastructure projects**

1. Minimum of 80% of the project investment be used toward capital improvements to the building and a maximum of 20% of the project investment can be used toward undergrounding utilities.
2. The overall project investment must meet the established minimum investment criteria for the type of project specified.

### **b. How will the City of Bismarck monitor projects in and outside the Zone**

1. The Community Development Department will monitor all Renaissance Zone projects and projects outside the Zone through on-site building inspections conducted in conjunction with the rehabilitation projects. Additionally, all Renaissance Zone project costs and expenses must be verified prior to the submittal of final

project documentation to the North Dakota Department of Commerce - Division of Community Services.

**c. Determine the tax credits available to property owners affected by the utility infrastructure project**

1. Applicants are eligible to receive up to a 100% property tax exemption on the building and improvements for five years beginning with the date of completion, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of completion

**d. City must agree to work with the State Board of Equalization to determine the property tax exemption for utility projects and state the exemption in the Plan**

**9. Renaissance Fund Organization**

- I. The City of Bismarck has, at the present time, elected not to create a Renaissance Fund Organization. The City of Bismarck does, however, reserve the right to create, develop or contract with a Renaissance Fund Organization.

**10. Evidence of Community Support from Residential and Business Interests**

- I. There is broad-based support for the Renaissance Zone from residential and business interests. Appendix D E includes letters of support recently submitted from the City of Bismarck Parks and Recreation District, the Burleigh County Commission, and the Bismarck Public Schools Board. Also attached are letters submitted during the preparation of the original Development Plan in 2000; the boundary expansion in 2008; a summary of input sessions/discussions with impacted parties, community leaders and stakeholders during the preparation of the 2013 comprehensive rewrite of the Development Plan; and letters of support from community leaders in response to the City of Bismarck's 5-year Renaissance Zone program extension request in 2016.

**11. Renaissance Zone Projects Spreadsheets**

- I. This spreadsheet is a comprehensive list of each Renaissance Zone project that has been approved by the City of Bismarck and the North Dakota Department of Commerce - Division of Community Services. The purpose of the spreadsheet is to document the date of approval, building values, estimated tax exemptions,

full-time equivalent jobs created and other data related to each project. This spreadsheet has been attached as Appendix EE.

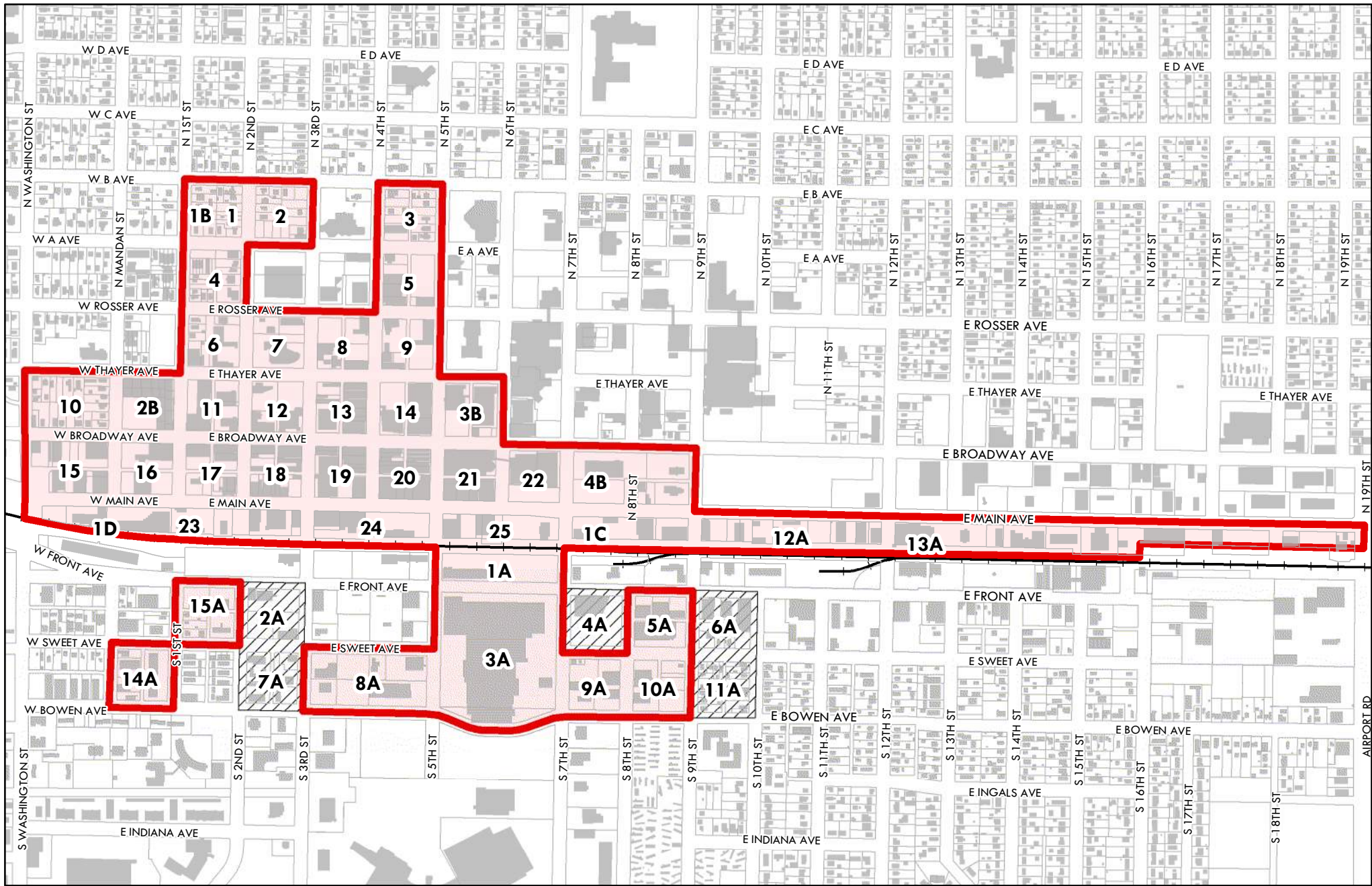
- II. The purpose of this spreadsheet is to track the value of each 5-year property tax exemption project. The spreadsheet demonstrates the initial building value prior to designation as a Renaissance Zone project, the improved building value for projects that have completed the 5-year property tax exemption period, the yearly value of the property tax exemption for each property and the amount of property tax each property has paid since the 5-year property tax exemption period expired. The average payback period for properties that received an exemption is approximately six years. This spreadsheet has been attached as Appendix FG.

## Appendix A: Map of Renaissance Zone Boundary



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# DRAFT Proposed Renaissance Zone Program Boundary



**City of Bismarck**  
**Community Development Dept. - Planning Division**

 Renaissance Zone  
 Completed Blocks

This map is for representational use only and does not represent a survey. No liability is assumed as to the accuracy of the data delineated herein.

0 287.5 575 1,150 Feet

June 22, 2017



**Appendix B: Description of Properties**

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## Appendix C: Renaissance Zone Needs Assessment

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## Appendix D: Renaissance Zone Program Evaluation

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## Appendix E: Letters of Community Support

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**Appendix F: Project Spreadsheet**

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**Appendix G: Cumulative Property Tax Revenues Spreadsheet**

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